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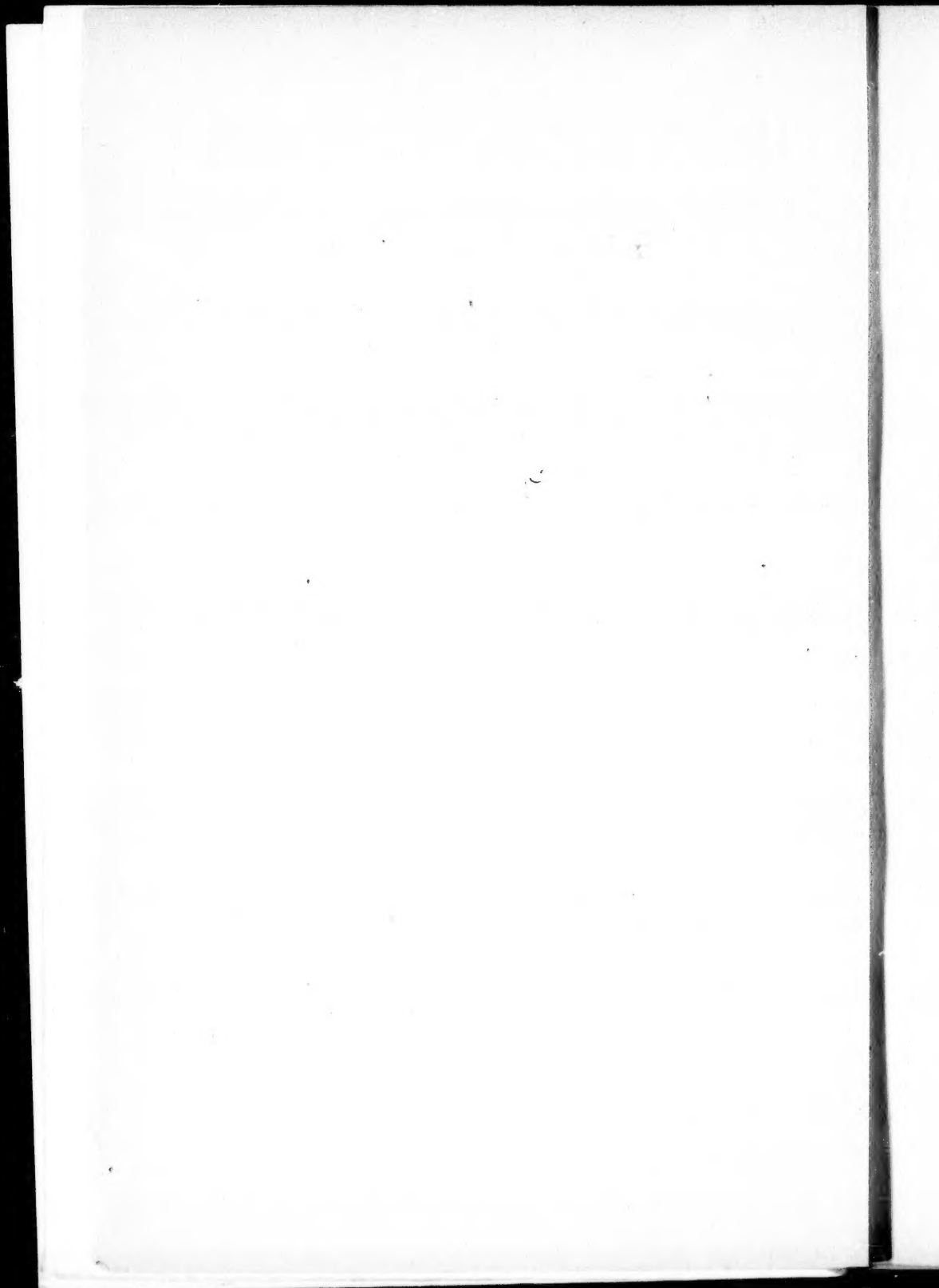
COMPLIMENTS OF
G. W. DAWSON, M.P.
ADDINGTON.

THE TRADE QUESTION.

SPEECH DELIVERED BY
Hon. WILFRID LAURIER

—IN THE—
HOUSE OF COMMONS,

AUGUST 4TH, 1891.



Hon. Wilfrid Laurier's Speech

ON THE

TRADE QUESTION.

On the occasion of the resolution which was presented to the House of Commons by the member for L'Islet, August 4th, 1891.

MR. LAURIER. Mr. Speaker, when some few weeks ago the hon. gentleman introduced the motion which he has now again placed in your hands, and which he was afterwards compelled to withdraw, for the reason he has alluded to, he launched upon us as a Parthian arrow the threat that we should still hear his motion. One would have hoped, one might have expected, that in the meantime reflection and better advices would have given him a wiser decision; but it is evident that the hon. gentleman has for this offspring of his brain, the blind fondness which sometimes makes people mistake deformity for beauty; he dotes upon this motion of his. Not satisfied with presenting it to us, in the form in which he presented it to us the first time, he has embellished it, and given it a new toilet for the present occasion. Still, it seems to me that it remains what it was at first, an *olla podrida* which it would be difficult even for the rude stomachs of National Policy men to digest. There are some things in this motion which under ordinary circumstances I should not object to; but the hon. gentleman has not been quite fair.

HE GIVES US SOMETHING TO SWALLOW

which in itself might be acceptable, in order to cram down our throats a good deal that is altogether unpalatable. For instance, the hon. gentlemen wants us to approve of the policy of the Government in their efforts to extend our trade with the far East, with the West Indies, with Great Britain, and with the United States. What have the Government done to extend our trade with the far East? They have subsidized some steamers. Certainly that is not a stroke of genius nor anything unheard of. And what have the Government done to extend our trade with the West Indies? They have again subsidized steamers, and not only that, they have sent my hon. friend the Minister of Finance to negotiate reciprocity treaties with our sister colonies in the West Indies and with the Spanish colonies as well. My hon. friend, however, has never boasted of his success in that line. He has not been very prompt in laying before the House the result of his efforts. It is only within eight days that he has thought fit to acquaint the House of the result of his endeavours; and certainly he will agree with me that he has not much to boast of in that direction.

He made an offer, but his offer was not accepted. He offered to the colonies of the West Indies that Canada would accept their sugar free of duty if they would accept Canadian products equally free of duty. I so read the statement, and I think I shall show before I conclude that I am correct. At all events, I think the hon. gentleman made an offer to reduce the duties on sugar, if the West Indies would accept our products in exchange. The offer was rejected; but the hon. gentleman has not only reduced the duty on sugar, he has altogether abolished the duty, and this after he

HAD MADE THE OFFER OF A TREATY

and failed. Then we are asked by the mover of this resolution to approve of the efforts of this Government to foster our trade with Great Britain. What in the name of common sense, have this Government done to foster our trade with Great Britain? They have done everything which it has been possible for them to do to kill our trade with Great Britain. Why, the very policy which has been enacted and supported by this Government, has had for its very purpose to destroy the trade we have to-day with Great Britain. Their policy has been to manufacture everything we could manufacture here, and which we have been in the habit of buying from Great Britain. The hon. gentleman says we should also approve of the efforts of the Government to establish a trade with the great nation to the south of us. Well, if anyone can show me what those efforts are, I will be prepared to vote for this resolution; but so far they are not visible to the naked eye, nor do I believe them to be visible under a microscope. Why, the policy of the Government has not been to develop trade between this country and the United States. On the contrary, their policy has been in every instance to do what they could to injure trade between this country and the United States. Then the hon. gentleman asks us to rejoice over the policy which has created surpluses and great public works. Sir, it takes a man of some courage to make this assertion at the present time. We have hitherto had surpluses, it is true; we have had high taxation, large revenues, and great public works; but it is now apparent and only too manifest that these public works have cost the country double the amount they should have cost. We have this further evidence, that every cent of the surpluses that should have been expended on these public works

HAS BEEN APPLIED IN PECULATION,

in malversation, in corruption, which to-day are a lasting shame and an eternal disgrace to the name of Canada. And, Sir, the hon. gentleman says that this policy has developed industries, and has in consequence made this country prosperous. Well, this is a question of fact upon which I am sure we might all agree; yet, in the long debate which closed a few days ago, we have not been able to agree upon this one fact, whether the country was prosperous or was not prosperous. We on this side of the House have asserted that the condition of the country was not satisfactory, and especially that the condition of the agricultural industry was most precarious. True, we have been met by negation on the other side of the House. I will not discuss the

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question with them, because their powers of negation are too strong for me. Whenever a thing is asserted on this side of the House, no matter what it is, denied it will be, and the negation will be persisted in, until perchance it is possible to unearth some declaration that hon. gentlemen may have made in what I would call an unguarded moment, but in perhaps what they would call a "moment of weakness," and thus confront and silence them. With regard to this question, as to whether or not the country is in a dissatisfied condition, as to whether or not the agricultural interests are in a flourishing condition, I will not give to the House any argument of mine, but will content myself with reading from the report of perhaps the most important financial institution in Lower Canada, *The Cr dit Foncier Franco-Canadien*. That institution, in its report of May, 1891, not yet three months old, says:

"With regard to rural real estate, we called your attention in the report of last year to the crisis which it was then undergoing. This situation has only become worse in the course of the year 1890, and a very bad harvest has been added to the two preceding ones. Add to this the deplorable effect which the McKinley Bill has produced upon the industry of our Canadian farmers by abruptly closing the American market to their products, almost without any notification, and without giving them time to modify their system of farming. Under these circumstances we thought it wise to use double precautions, and to accept demands for rural loans only in most favourably situated localities."

I will be asked this question: Who is it that has drawn this woe-ful picture? Who is this preacher of blue ruin? Who is the Yankee sycophant that dares assert the McKinley Bill is not a blessing in disguise? Who is this veiled traitor that dares say anything in disparagement of the great National Policy? I will give you his name, Sir, but I am almost sorry to have to give it, for he is not one of mine. He belongs to the other side of the House, and I almost fear for him the fate of Orpheus, who was torn to pieces by the Thracians because he would not give them the music they expected. Well, Sir, the name is that of the Secretary of State for Canada, and the report is that of the *Cr dit Foncier Franco-Canadien* appended to which is the name I have just mentioned. There are in my friend evidently two different characters. I will not do him the honour to say that one is Dr. Jekyll, nor will I do him the injury of saying that the other is Mr. Hyde; but I will say that the one is the politician, the member of the Conservative Administration, whose object it is

TO SHOW EVERYTHING UNDER ROSY COLOURS,

colours, and to drug the people with some hashish or some potion the effects of which would be to create in them illusive sensations; and the other is the man of business, the capitalist, the investor, the director of a financial company, whose object is to show things as they are, so as to make proper investments and not lose any money. And whom are we to prefer to believe? The Secretary of State, the politician, or the capitalist? For my part, my choice is made. I rather prefer to believe the man who looks after his business than the man who simply speaks as a politician. That is not all. I also find the name on these pages of the hon. member for Laval (Mr. Ouimet), who is also a supporter of the great National Policy. I also find the name here of the hon. member for Hochelaga (Mr. Desjardins), who spoke on this ques-

tion some time ago and quoted this report. He quoted it to establish what? To establish that real estate in the Province of Quebec had not decreased in value, but he did not cite the part I have just quoted, but something else. What did he quote? He quoted to prove that the debtors of the company are not in arrears in their payments. That may be, but he cited something more. He stated that the company had been forced to bring to sale a certain number of properties, fifty-four in all, which they had been forced to buy themselves, and of these they had sold fourteen, and had realized from the sales the amounts they had lent on those fourteen properties, less a few hundred dollars. But at the same time he stated that they only effected loans on real estate valued at double the amount lent, so that, by their own showing, property in the Province of Quebec has just decreased in value 50 per cent. However, we will not quarrel with this. Let us see things just as they are represented by the Secretary of State when he speaks, not to the shareholders of the *Crédit Foncier*, but to the people of Canada. We will see that there is one point upon which we are all agreed, on both sides of the House. Out of the debate which took place a short time ago this fact towers, conspicuous above all others, affirmed by all on this side, and admitted by all on the other side—admitted, not always in so many words, but when not admitted in words, admitted by their criticisms and by their equivocations, still more eloquent and significant. That fact is that the power of consumption to-day of the Canadian people is not equal to their power of production, and we must have new channels of consumption. There are many varieties of opinion as to the methods to be applied, as to the channels that ought to be opened; but as to the fact itself I believe there is not a dissenting voice. Nor is this new. The same want was felt as far back as 1877, and the very same divergencies of opinion then existed as to the methods to be applied. Hon. gentlemen opposite profess to supply a remedy

BY MEANS OF A POLICY OF RESTRICTION;

we advocated a policy of expansion. They believed that the National Policy would not only build up the power of production, but create an equal power of consumption—that not only would we produce more liberally, but that the National Policy would give a greater market for everything we produced. That this was a delusion cannot any longer be denied. The problem then, as to-day, was not only to increase the powers of production, but to get a market for whatever we could produce. Is it possible to find a remedy within the policy now in force? Hon. gentlemen opposite say it is.

THEY HAVE BEEN PROFUSE AND LAVISH

in their encomiums of the National Policy, yet they support a Government which is pledged to go to Washington next October in order to find a market for our natural products. This is a strange inconsistency, but a greater inconsistency is that, although the Government are pledged to go to Washington to find a market for our natural products, yet hon. gentlemen opposite have heaped up mountains of statistics, to

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show that reciprocity in natural products would be destructive to our best interests. This is so far as natural products are concerned, but we put the question: Can we under our present fiscal system find a market for our manufactured products? An attempt indeed has been made to solve the problem in some manner. An attempt has been made to solve it by equalizing production and consumption,—not, however, by increasing production or by increasing consumption, but by reducing production to the level of local demands. This has been the policy resorted to by the very industries the National Policy was intended to foster and develop: millions of dollars had been taken away from the capital of the country and invested in mills—cotton mills and woollen mills for instance. Thousands of men were withdrawn from their usual occupations and brought to these mills to spin and to weave; but the day soon came when it was found that if these mills were worked to their full capacity, they would weave and spin in a year more than could be consumed by our small population in the same time. Then we know what took place.

THE MASTERS COMBINED AND AGREED

to control production; they agreed to close up some of the mills and to work others at half time; and they forced men to be idle, one week or two in the month or one month and two in the year. These periods of enforced idleness sometimes amounted to three or four months in the year. Now, I hold in my hand a circular which was issued last year by one of the knitting manufacturers of shirts and drawers, and after speaking of the hard times in which the industry was then labouring this is what he proposed:

"If under such circumstances we should continue to run our mills to their full capacity, the result would probably be such an over-production of goods as would affect the market for the next two years, not only destroying all chances of profit, but probably bring disaster in its train.

"I submit, therefore, whether it would not be wise for the mills to at once stop all machinery except such as is in use on *bona fide* orders, that is orders that pay a fair profit.

"I have already stopped one-third of my machinery and given imperative instructions to stop the balance as fast as orders are exhausted.

"If all the mills will co-operate in this conservative policy, keeping the supply of goods fully within the limits of demand, I have no hesitation in predicting, not only an avoidance of disaster for the future, but a fair prospect of remuneration instead of loss."

Sir, you propose legislation to prevent combines. Remove the causes and you remove the combines. Increase the markets and the mills will be working at their full capacity, but as long as the manufacturers have to operate in a restricted market, it is impossible that the mills should be working all the time. If all the mills in cottons and woollens were to work to their full capacity for one year, and if at the end of the year all the goods remaining unsold in the warehouses were to be piled up in a public square, the sight would be appalling, but it would be a fitting monument of the folly of those who once believed in a restrictive market. Those who believe in a false system of protection, when any industry is injured, say that the only remedy they have is to apply a little more restriction, which is just like the system followed by the old practitioners. If a patient was ill, they bled him,

and if that was not enough they took more blood from him, and if he was not well then, again more blood, and finally the ailment was cured, for the patient was killed. In this case, however, there is a slight difference, for the principle, advantageous as it would be to the capitalist, while it is ruinous to the workman, cannot be enforced all round. The farmers cannot combine, but

THEY ARE THE VICTIMS OF COMBINES

—combines in woollens, combines in cottons, combines in salt, and in almost everything they buy. What is the remedy for this? The remedy is the expansion of the market; and what we propose on this side of the House is that, as our population cannot consume everything it produces, it should find a market elsewhere, and if possible should find it in the great nation of 65,000,000 to the south of us. Hon. gentlemen opposite profess not to believe in unrestricted reciprocity with our neighbours to the south, but there was a time when they believed in reciprocity at all events in natural products. Time and again we have proposed to send commissioners to Washington to endeavour to obtain that limited reciprocity, but every time we were met by a stern refusal. In 1884 my hon. friend from Prince Edward Island (Mr. Davies), taking advantage—not taking advantage, but looking to the fact that the fishery clauses of the treaty of 1871 were about to terminate, urged upon the Government the necessity of sending commissioners to Washington to negotiate a new treaty. This is what he moved:

“In view of the notice of the termination of the fisheries articles of the Treaty of Washington, given by the United States to the British Government, and the consequent expiration, on the first July, 1885, of the reciprocal privileges and exemptions of that treaty, this House is of opinion that steps should be taken at an early day by the Government of Canada with the object of bringing about negotiations for a new treaty, providing for the citizens of Canada and the United States reciprocal privileges of fishing and freedom from duties now enjoyed, together with additional reciprocal freedom in the trade relations of the two countries.”

This motion was met by Sir John Macdonald, who was then Prime Minister, in these words. He said it was of no use to go to Washington, that the people there would not agree to any unrestricted reciprocity. He thus continued:

“That feeling, I believe, still exists, and unless the United States will come at some time or other to a conclusion that they would be willing to enter upon a reciprocity treaty, not for our natural productions, but for our manufactures as well as our natural products, we will never have a treaty. I am quite satisfied the United States will not agree, the country will not agree, the voice of the country will be against repetition of the Treaty of 1854. Then Sir, the only question is this: Can we have a treaty on a larger basis? If there is no indication that the United States people, that their representatives, their Congress, will accept the recommendation of the president and appoint a commission, or go into the question and see whether there cannot be an arrangement, and if we know and the hon. gentleman admits—and it is evident he is correct—that by no possibility will there be a Bill to allow reciprocity in these articles, what indication, what sign is there that there would be any use in our going again, for the fifth or sixth or tenth time, on our knees to Washington, and asking them again, for Heaven's sake, to enter into a treaty with us?”

This was the key-note of the language which has been held ever since. Hon. gentlemen opposite, whenever we have asked them to go and negotiate even a treaty in regard to natural products alone, have told

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us unvariably that it was against the dignity of Canada to propose anything of that kind, but all of a sudden, last winter, we heard that the Canadian Government had, not at the eleventh hour nor the twelfth hour, but at the fourteenth hour, determined to send commissioners to Washington to endeavor to negotiate such a treaty. What? Those proud men, who never would

LOWER THEIR DIGNITY BY ENDEAVOURING

to negotiate a treaty, those who never would consent to enter into any negotiations with the Yankees send commissioners to Washington to negotiate with them! So it was, but those hon. gentlemen told the people of Canada that this negotiation had not originated with them, but that the Government at Washington had come down on their knees to them, and asked them to send commissioners. I say here that in making this statement to the people of Canada they went to the people with falsehood and deceit in their mouth. We know now that the facts are the very reverse. We know that it was not the American Government who invited them, but that it was themselves who acted in this matter. A stranger who came into this House would think this was a matter of very little moment, whether the invitation came from Canada or from Washington, but, small as the question may appear to be, I charge upon them that they did not dare to state the fact and that they went to the country with falsehood and deceit in their mouth. And why? Because up to that moment they had refused to do what the circumstances then forced them to do. Up to that moment they had instructed their party that it was against the dignity of Canada to send commissioners to Washington; and now if they had avowed that they had taken the steps which they were pressed to take during many years, they would have stood in antagonism to their own record, in contradiction with their own notions of national dignity; they would have stood before the people of Canada self-confessing that for many years they had neglected a duty which it was their business to perform. But, Sir, even though we had the assurance of hon. gentlemen that it was the Government at Washington which had first sought reciprocity from them—an assurance the accuracy of which some hon. gentlemen on this side of the House had dared to doubt—after the letter of Mr. Blaine to Congressman Baker, it was impossible not to come to the conclusion that these hon. gentlemen had not told the whole truth to the Canadian people. When my hon. friend beside me (Sir Richard Cartwright) took occasion to recall to the hon. gentlemen that they had lacked in frankness towards the people of Canada, he was met on the other side of the house with the usual answer—disloyalty. Of course only a disloyal man like my hon. friend could doubt the word of a Canadian Minister, but it was natural to him, disloyal as he is, to take in preference the words of an American Minister. Now, to show to the House that

I AM DOING NO INJUSTICE TO THE

hon. gentlemen on that side, let me quote from the language made use of on that occasion by my hon. friend the Minister of Finance:

" I think my hon. friend from South Oxford will allow me to tell him that it would be well for him to trust the Canadian people a little more, and even to trust the Canadian Ministers when they make grave statements on their responsibility as Ministers of the Crown."

They had made a grave statement on their responsibility as Ministers of the Crown. What was it? We find it in the report of Council adopted on the 12th of December last :

" The Committee of the Privy Council having learned that the Honourable the Secretary of State for the United States had expressed to Her Majesty's Ministers at Washington his readiness to negotiate for a reciprocity treaty on a wide basis, and particularly for the protection of the mackerel fisheries, and for the fisheries on inland waters, and had subsequently stated to Her Majesty's Minister his great desire to conclude a reciprocity treaty, they desire to take the opportunity afforded by these intimations from Mr. Blaine of suggesting the expediency of taking early steps to adjust the various matters that have arisen and now exist, affecting the relations of Canada with the United States."

This was the key-note of the language held by hon. gentlemen all through the election. Now, what are the facts? Let me quote from the official correspondence laid on the Table of the House a few days ago. I will quote the language of Mr. Blaine in April last, in a letter to Sir Julian Pauncefote :

" In view of the fact that you had come to the State Department with the proposals, and that the subject was then for the first time mentioned between us, and in view of the further fact that I agreed to a private conference as explained in my Minute, I confess that it was a surprise to me when several weeks later during the Canadian canvass, Sir John Macdonald and Sir Charles Tupper both stated before public assemblages that an informal discussion of a reciprocity treaty would take place at Washington after the 4th March, by the initiation of the Secretary of State."

Mr. Blaine here directly denies the statement of this Minute of Council adopted by the Canadian Privy Council. But I may be told that after all this is only the statement of one man against the statement of another man ; it is only the

STATEMENT OF THE AMERICAN MINISTER

against the statement of the Canadian Government. Sir, we can view this question in the light of the testimony of no less a man than Sir Charles Tupper. Sir Charles Tupper, as we know, had an interview with Mr. Blaine, and he thought it good policy to advert to this fact ; in a letter which he wrote to Sir John A. Macdonald, relating the interview which he had with Mr. Blaine, occurs this very significant passage :

" I told Mr. Blaine that I wished, in the outset, to recognize the accuracy of the statement contained in his letter to Sir Julian Pauncefote, which I had seen, in reference to the initiation of negotiations regarding reciprocal trade arrangements between the two countries."

Here we see Sir Charles Tupper forced to admit to Mr. Blaine that the language which he, Sir Charles Tupper, and the Canadian Ministers had used to the people of Canada during the elections, was untrue. Sir, we see here to what depth of baseness our opponents will go whenever they want to find a cry with which to go to the country. Not satisfied with the unfair advantages which the Gerrymander Act gave them, not satisfied with the unfair advantages of the Franchise Act,

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not satisfied with the advantages which they have enjoyed from the appointment of partisan returning officers, they have stooped to the low level of misrepresenting the American Secretary of State, and when they were taken to task by the American Secretary of State, like Ancient Pistol, they had to eat the leek, but, nauseous as was the operation, the leek had served the

DESIRED PURPOSE OF DOING DUTY IN THE

elections. Now we are told that the Government, at the fourteenth hour, have decided to send commissioners to Washington. What are the circumstances which have at last induced the Government to reverse their policy and to do that which they have refused to do during so many years? Sir, the reason is not far to seek; it is now a matter of history. It was the policy of our sister colony, Newfoundland, which, not so fastidious as the Government of Canada, took proper steps to secure a treaty, and they did it in a very business-like way. Sir William Whiteway, Premier of Newfoundland, and Mr. Bond, a member of his Government, were in London. Mr. Bond secured a letter of introduction from Lord Salisbury to Sir Julian Pauncefote, the English ambassador at Washington, who then introduced Mr. Bond to Mr. Blaine, and inside of eight days a treaty of reciprocity was negotiated between Mr. Bond and Mr. Blaine, whereby Newfoundland secured the admission of her fish free of duty to the United States, and gave in return to the United States free bait on the coast of Newfoundland. During all that time our Government were standing, or rather sleeping, on their dignity. Sir Julian Pauncefote, however, thought that it was time to arouse

THEM FROM THEIR DIGNIFIED SLUMBER

and to tell them what was going on. Then they became very lively. Their action took the form of a protest. Protests by telegrams and protests by letters urging Sir Charles Tupper to prevent the Colonial Secretary from allowing that treaty to go into force. I will not now discuss the question of the policy of this Government, whether it was fair or not, toward the sister colony of Newfoundland, in preventing her from managing her own affairs according to her own views—I leave that for another occasion; but I am now discussing the point in so far only as it relates to the previous policy of the Government, who at last were forced, by the action of Newfoundland, to take steps to prevent them from gaining an advantage which we could not have ourselves without negotiating a treaty. They remonstrated at the Colonial Office. But the Colonial Secretary of State told them the only thing they could do was to follow the example of the people of Newfoundland and negotiate a treaty for themselves, or to become a party to the negotiations then going on; and that is the way in which our Government have been brought to this position, that on the 12th of October next they are going to send commissioners to Washington to negotiate a treaty. Now, what is the basis upon which they will negotiate that treaty? Sir, I venture to say after the long debate that we have had that they do not know yet upon what basis they will negotiate. There

are not two men on that side of the House who can agree upon a basis. They are all opposed to complete reciprocity ; on this they agree ; upon everything else they disagree. Some are opposed to reciprocity in coal. For instance, my hon. friend the Minister of Marine and Fisheries will never agree to reciprocity in coal. He told his electors, and he told the country generally, that he had taken Sir John A. Macdonald in hand, and had forced him to abandon his reciprocity notions concerning coal. The hon. member for Sherbrooke (Mr. Ives) will not have reciprocity in natural products. Yes, I beg his pardon, he will agree to reciprocity in some products. And what are they? Horses, lambs, hay, barley and eggs.

MR. DAVIES (P.E.I.) Also potatoes from Prince Edward Island.

MR. LAURIER. That was an afterthought, because the articles I mentioned are those he first included. If the hon. gentleman spoke for his party, they want reciprocity in those articles which we always sell to the Americans, but which the Americans do not sell us ; they expect that the Americans will agree to give us their markets for our horses, lambs, hay, barley and eggs, and even potatoes from Prince Edward Island, and at the same time, that we will keep our markets closed against all their goods. If that is the idea entertained by hon. gentlemen opposite of reciprocity, let them call it by some other name, and I advise the Government to stay here. The hon. member for South Oxford (Sir Richard Cartwright) has given them the basis on which they should negotiate, and that basis is unrestricted reciprocity in natural products and in manufactured products as well. But hon. gentlemen opposite would not agree to that. They have voted down my hon. friend's resolution ; and I may ask them now, for what purpose are you going to Washington? Mr. Blaine has told Congressman Baker in his letter, that it was of no use, that

NO RECIPROCITY WOULD BE ADOPTED

except upon a basis of unrestricted terms. Still, if the commissioners to Washington secure the settlement of the Behring Sea difficulty and of the Atlantic fisheries question they will have the hearty support of this side of the House. But this will not settle nor even advance the great problem of finding a market for our productions, and this is the question to be settled. I affirm again on the part of the Liberal party that the true policy to be followed on this question is unrestricted reciprocity. This brings us face to face with our policy. I know very well that this policy from its sweeping character will be likely to excite alarm among the timid and timorous, but I never heard it seriously questioned that unrestricted reciprocity would not favour Canada at large. The only objection I have heard against unrestricted reciprocity is perhaps it would injure some special classes of manufactures. If unrestricted reciprocity were to injure manufacturers but were to benefit everybody else and every other interest, what would you do? Would you abandon it? I do not hesitate to say that I would still be in favour of unrestricted reciprocity. If it is proved that unrestricted reciprocity, although it might injure the manufacturer, would at the same time favour the farmer, the lumberman, the

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miner, the fisherman, and the whole body of consumers, would any man stand up in this House and say it would not be sound policy to have unrestricted reciprocity? But I go further than this. I have no hesitation in saying, though my testimony is not worth much in such a matter, that unrestricted reciprocity would favour the manufacturers as well as every other class of the Canadian people. What is the reason! Because unrestricted reciprocity would give to the manufacturers markets, consumers. And what is it the manufacturers want in this country? Why, it is the very thing I have named—markets, consumers. But at the same time I admit that unrestricted reciprocity would create competitors to our manufacturers; this is the very thing to which our manufacturers object. They

WILL NOT HAVE COMPETITION.

It is said that competition is the life of trade. So it is. But there is nothing at the same time which the trader dreads so much as competition, because with competition the trader must limit his profits and extend his operations to secure the same results at the end of the year, and thus trade is enlarged and the community benefited; while without competition the trader will not extend his operations, but will extort the largest possible profits from his consumers in his limited markets. If unrestricted reciprocity would bring competition, I admit, and I have no hesitation in doing so, that to some extent it would disturb some existing interests. From this fact alone I can well understand the hostility this policy has excited in some quarters. But this is the history of all reforms; the history of all reforms has been a struggle to free the community from the incubus of some existing interests, and the history of all reforms has been that those who were interested always combined in order to make the people believe that they were to suffer and not those who were making the objection. Let me call back to your mind, Sir, a well-known instance. When Paul was in the City of Ephesus preaching against the superstition of his day, struggling against the absurdity, against the folly, against the wickedness of worshipping idols made by the hand of man, all the manufacturers of idols saw at once that if the doctrines of Paul were to prevail, if the people were to be

SET FREE FROM THOSE SUPERSTITIONS,

their trade was gone. They assembled in the Red Parlour of that day, and the leader of the crowd opened the conference with these very suggestive words: "Sirs, ye know by this craft we have our wealth." And the object of the policy adopted was to try to convince the people that their interests, not the interests of the manufacturers, but the interests of the people at large, were endangered, and they appealed at once to the passions and prejudices of the people. They sallied forth, saying: "Great is Diana of the Ephesians." And now in our own country, in our own day, while the Liberal party, like Paul, are struggling against the superstitions prevailing in this age, against the folly, against the absurdity and the wickedness of restricting trade, all those who profit by these superstitions, the Government who therein find the source of their power, the monopolists who therein find the source of their wealth, assemble in the Red Parlor, and there, as in

the days of Paul, the adopted policy is to prevent the people being imbued by those doctrines preached by the Liberal party. Like the men of Ephesus, they appeal to the prejudices and passions of the people. The cry they raise is not "Great is Diana of the Ephesians," but "Great is the loyalty of the Canadians." This motion which you, Mr. Speaker, have in your hands, is the last appeal made to the passions and the prejudices of the people. What does it assert? I will not quote its rather verbose language, but in its last sentence there is an appeal to the fact that unrestricted

RECIPROCITY MIGHT DISCRIMINATE

against England, and there is a further appeal against assimilation of tariffs with the Americans. This is what the resolution means when the hon. gentleman uses these words:

"That this House, while approving of the special efforts made by the Government to increase Canadian trade with the far East, with the West Indies, with Great Britain, and the United States, desires to express its confidence that any negotiations for the extension of commercial relations with the United States will be so conducted that their result will be consistent with that proper control of our own tariff and revenues which every self-respecting people must maintain, and with a continuance of those profitable business and political relations with the mother country which are earnestly desired by all intelligent and loyal Canadians."

This is an appeal to the passions of the people. This is an appeal to the loyalty of the people. We claim that we on this side of the House are just as loyal as are hon. gentlemen on the other side of the House, but we object to men trying to make loyalty the cloak for their selfish policy. What is the argument which we hear in reference to this appeal against discriminating against England? It is stated that it would be unmanly and ungenerous to grant to another nation trade facilities which are denied to the mother land. This is the burden of the objection which is generally made on that score. Let us see what is in it. In the first place, I assert that this policy is not conceived in hostility to England. This policy is conceived in the light of what we believe to be for the best interests of Canada. But I state again, and I have admitted without hesitation that this policy might disturb some existing Canadian interests. But I do not admit that English interests are to be more favoured than Canadian interests. It may be our duty when we have this policy enacted, as it is our duty now, to raise our revenue out of duties on British goods as well as the goods of other nations. I put the case in this way. I assume that this policy would realize what we expect from it, I say that I assume it, but I should not say so, because I believe it rather than assume it.

WOULD BUILD UP THE COUNTRY.

However, I assume it, just for the sake of argument. I assume, for the sake of argument with hon. gentlemen opposite, that unrestricted reciprocity would do what we expect from it: That it would foster agriculture, develop trade, stimulate industries, build up cities and settle our North-West. Then, Sir, if unrestricted reciprocity were to produce all these results, what, I ask, would be the attitude of England towards us? If we could show to England that unrestricted reci-

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procity would open for us an area of wealth and prosperity, would England dare to bring down her arm upon us in order to kill that possible prosperity? There was a time when England would have come down with a strong hand upon any such arrangement; that was the time when the notion was prevalent in England that colonies existed simply for the benefit of the parent state; that was the time when colonies were not allowed any trade except what was graciously conceded by the parent state; that was the time when, if the trade of the parent state came in collision with the trade of the colony, the trade of the colony must give way. But, Sir, that selfish policy pursued for generations by the parent state towards her American colonies, cost to England during the last century, the loss of her American colonies. For years and years, no, at all times the American colonies had been prohibited from exporting sugar, cotton, furs, to any country but to a country acknowledging the British flag. At all time, the colonies had been prohibited from exporting manufactured goods, such as wool to any country, not even from colony to colony. At all times, they had been prohibited from erecting iron furnaces; and all these prohibitions were made to benefit the trade of England. They benefited indeed the trade of England, but they alienated the heart of the American colonists, and when a struggle arose

BRITISH DOMINATION HAD TO REEL

back before the universal discontent created by this selfishness. Now, Sir, even in the days of that conflict, there were men in England with hearts broad enough, and minds broad enough, to protest against that selfish policy. Charles James Fox in those very days declared in England, that the only manner in which the parent state could keep distant colonies was to allow them absolute freedom in matters respecting their own Government. In our own day, and in this country, that doctrine was applied to its fullest extent. Canada has the honour of having revolutionized the doctrines which formerly bound colonies to the parent state. We have been granted freedom of Government in this country, and we have been allowed to settle our own interests in the light of our best judgment. And now, Sir, I ask, and this is a question which I want to have answered by hon. gentlemen opposite: Is there any restriction in this right that has been granted to us? To what length is the right to extend? Would it extend even to the point where Canadian interests would come in conflict with British interests, and even invade British interest? Sir, I say that the only limit to Canada's right is Canada's interests. So far as goes Canada's interests, so far goes Canada's right; and the doctrine which I assert now has been asserted by all colonial Governments, except the Government in front of us. This doctrine has been granted by the Imperial Government, not once, or not twice, but it is

NOW THE SETTLED COMMON LAW

of the colonies. The concession was not made spontaneously but it was wrung from the mother land by the very force of circumstances and events. Since Canada has been granted freedom of Government the

fact always apparent became manifest, that the colonies and the parent state had conflicting interests and that these conflicting interests could not be controlled by the same tariff. Why, Sir, in 1843, two years after we had been conceded responsible Government, England which at that time had the corn laws, made an exception in favour of colonial cereals. Colonial cereals were admitted at a nominal duty while foreign cereals were subjected to the heavy duties of the corn laws. But three years afterwards, in 1846, freedom of trade was adopted in England. The colonies protested; the privilege in which the colonies had rejoiced for three years disappeared, and complaints were loud and hot, but the parent state did not listen to those complaints. Nay more, not only would not England consent to

LISTEN TO THE COMPLAINTS

of the colonies, but England went to the extent of attempting—not by force, of course, but by every constitutional means in her power—to force the colonies into adopting free trade. The British Government went so far as to instruct colonial governors to refuse assent to any laws passed by colonial legislatures which might be in conflict with the system of trade adopted by England. Well, Mr. Speaker, I need not tell you that this policy of England was bitterly resented by the colonies. No colony in British North America would adopt the system of freedom of trade which had been adopted by the mother land, and among others the colony of New Brunswick protested very vehemently. I will quote to the House a very suggestive despatch which was sent by the Colonial Secretary of State, Sir George Grey, in 1850, to Sir Edmund Head, at that time Lieutenant Governor of New Brunswick. The despatch proceeds to say :

“It is with much regret that I have learnt from your despatch, No. 59, of the 7th ultimo, that dissatisfaction has been occasioned among the inhabitants of New Brunswick by the instructions given you to withhold your assent from any Act which may be passed by the Provincial Legislature in contravention of that system of commercial policy which the Imperial Parliament and Her Majesty's Government have judged it advisable to adopt, with a view to the interests of the Empire at large.”

Now, Sir, I ask the good men and true who are ever so prone to put forward their loyalty: Are they ready here to give assent to this doctrine, that freedom of trade was established in England not only for the good of England but for the good of the Empire at large? Not one of them, Sir, would admit that doctrine. This despatch goes on to say :

“II While it is the desire of Her Majesty's Government to advise the Crown to use its authority in such a manner as to interfere as little as possible with the management of their own affairs, by the Legislature of the several colonies there are certain subjects on which measures cannot be adopted by an individual colony, without affecting interests of others, and perhaps of the whole Empire.”

Now, Sir, I ask again: Has it been the concern of the Conservative party, who pretend to be loyal, when adopting their policy, to look to the interests of the Empire at large? Has it not been to look to the interests of Canada, as they conceive the interests of Canada to be? Has not their policy always been Canada for the Canadians, and not

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Canada for the whole Empire? And so, the whole doctrine as applied in practice by the Conservative party, is in direct antagonism to the policy of the British Colonial Secretary of State. The despatch continues to say further :

" III. Measures for the regulation of trade are of this description, and from the very foundation of our colonial Empire, the Imperial Parliament and Government have always claimed and exercised the right of deciding on the commercial policy which should be adopted by all British colonies."

Sir, is there a man in the ranks of these loyal men and true who would to-day agree that the policy of Canada should be decided by the British Parliament? Not only was the doctrine set down by the Colonial Secretary of State, Sir George Grey, not adopted, but so far back as thirty years ago the Canadian Legislature protested that they and they alone were the best judges of what were the interests of the Canadian people. Nay, the day came when in 1879 the Conservative party which had just gained the election adopted a policy in direct antagonism to the policy of free trade ; they adopted a policy of high protection. I remember very well, Sir, that

UPON THAT OCCASION THEY CHEERED

as lustily as they cheered some few days ago, but I remember that they did not sing "God save the Queen," over it. They did not sing "God save the Queen," for very good reasons—because the objection had been taken then that their policy, which was calculated to injure British trade, might endanger British connection, and the answer was : Then so much the worse for British connection. The answer then given by their press, solidly maintained by every one of them, was that if protection was for the best interests of Canada, then protection was to be had, even if protection was to destroy British connection. Sir, for this language, which if it had been used by us, would have brought upon our heads storms of denunciation and abuse, we never upbraided the party of hon. gentlemen opposite. If they believe that protection was for the best interests of Canada, it was not only their right but their duty to act in the line of their belief. But I protest against the shouts of disloyalty being raised against us, because the policy of hon. gentlemen opposite having been tested and found wanting, we propose a policy which we know to be no more inimical to our connection with Great Britain than the policy which they adopted fifteen years ago. Sir, there is more. The British Government, finding that they could not make Canada or their other colonies adopt free trade, initiated another system : they negotiated commercial treaties without reference to the interests of the colonies, but solely in the interests of the British people, leaving the colonies to judge for themselves what they would do. Some few weeks ago my hon. friend from Stanstead (Mr. Rider) put a question to the Government—whether or not there was a treaty of commerce between France and England? The Government have not yet been able to give an answer, though it is quite easy to give one. The Cobden Treaty was negotiated in 1860 ; and I am bound to say that the class of English goods which were admitted into France at a special rate of duty under that treaty were not those in which Canada could have competed with England,

WITH ONE SINGLE EXCEPTION,

ships. British ships were admitted into France under the Cobden Treaty at the rate of 25 francs a ton, while the general tariff of France at that time, if I am rightly informed, was 50 francs a ton. That treaty was negotiated in the interests of British ships, and without regard to Canadian ships, though Canada could have competed with Great Britain in that article, because Canada was at that time a ship-building country. But that treaty has come to an end, and there is now no special commercial treaty with France. But there is a convention to-day between France and England, signed in February, 1882, whereby English goods are admitted into France on terms reserved to the most favoured nation. Now, my hon. friend from Stanstead, asked this question: What is the difference of duty on fresh butter, salt butter, cheese, salt meat and lard, as between the Canadian product and the English product when admitted in France? The answer is this: Under this convention, which is to last until February, 1892, when it will have been ten years in operation, fresh butter coming from Canada is subjected to the general tariff of France, which is 13 francs per 100 kilos, whereas English butter is admitted free; that is to say, there is a discrimination against the Canadian article in favour of the British of 13 francs per 100 kilos. On salt butter the general tariff of France which is applied to Canada, is 15 francs per 100 kilos, and the tariff upon English salt butter 2 francs, a difference of 13 francs per 100 kilos. On soft cheese the general tariff is 6 francs and the special tariff 3 francs. On hard cheese the general tariff is 8 francs and the special tariff 4 francs. On salt meats the general tariff is 8.50 francs and the special tariff 4.50 francs. Lard is free. So that, Mr. Speaker, the English Government have negotiated that treaty without looking to the interests of Canada, but looking simply to the interests of the English people. But, Sir, there is more.

ENGLAND HAS NEGOTIATED

treaties with Germany which directly affect Canada; and if the hon. Minister of Customs were here, I should have his testimony that in the treaties negotiated in 1862 and 1865, if I remember rightly, between England and Germany, German goods imported into Canada cannot be charged a higher rate of duty than British goods; and in the face of that treaty the hon. Minister of Customs is not at liberty to so appraise German goods coming from Germany to the full cost of transit between Hamburg or Bremen to Canadian ports, but simply as if they were shipped from Liverpool or any English ports. Therefore, England has negotiated treaties in a manner directly contrary to the interests of Canada. But there is more. In 1870 the late Prime Minister, Sir John Macdonald, tested the American pulse in order to ascertain whether or not he could obtain a treaty extending not only to natural products, but even to manufactured goods. Sir John Macdonald was charged with that in the House in 1870 by Mr. Huntingdon, and he did not deny it. Moreover, we would have the proof of it in the blue-book, if they could be had; and we have the proof in the English press. *The Times*, the great organ of public opinion in England, had

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been kept *au courant* with what was going on, used this very suggestive language in reference to this matter :

" It is at this very moment a matter of discussion in Canada, whether a treaty of reciprocity should not be concluded with the United States; and the result of the deliberations may very possibly be an admission of the manufactures of New England into the Dominion under lighter duties than the manufactures of Great Britain. If the Canadian Ministry come to the conclusion that such an arrangement is for the benefit of that country, will the Colonial Office advise the Crown to disallow the negotiations? Assuredly not."

This is the sentiment of public opinion in England; and I say it is the merest flunkeyism on the part of any one in this country to try to be more English than the English. It is the merest flunkeyism to prevent us from doing what the English people

ARE PREPARED TO CONCEDE

to us; and if there is any man in this Parliament to-day, forgetting that he is a Canadian, wants to do what men would not do in England, all I have to say is that his place is not in the Canadian Parliament, but he should go to the other side of the water and try to find a seat in the British Parliament. But, Sir, there is still more than that. There is the very recent action of my hon. friend the Minister of Finance, who last year, with the view of promoting trade with the West Indies, induced the Government of which he is a member to pass the following Order in Council for the establishment of better trade relations between certain colonies in the West Indies, not only British but foreign, and Canada; and this is what was proposed on the part of Canada :

" A reduction in Canadian duties on raw sugar imported from the Spanish Antilles into Canada for refining purposes, such reduction, however, not exceeding the maximum of 30 per cent. of the present duties."

This was the offer made by my hon. friend the Minister of Finance to the West Indies. Now, what was he to get in exchange for this?

" In return for this the Spanish Government to admit at equivalently reduced duties into their islands, grain, flour, fish, coal, lumber of all kinds, vegetables including potatoes, and such manufactured goods as may be agreed upon."

FOSTER'S DISLOYALTY.

Sir, is it to be conceived—can it be possible—that these loyal men and true were ready to ask the Spanish Government to discriminate against Great Britain in favour of Canada? It is an act of disloyalty when we, in order to obtain the American market, are prepared, as we are, to discriminate to some extent against England. This is an act of disloyalty; but these gentlemen, saturated as they are with loyalty, can try and induce the Spanish Government to admit Canadian manufactured products of the same kind. This is what they call loyalty. Sir, loyalty is but a sham in the mouths of hon. gentlemen opposite. They would be loyal just so far as it suited them, just so far as their loyalty would keep them in office, but if ousted from office they would resort to their old attitude of 1849. There is another pet objection, which is also mentioned in this motion of the hon. member for L'Islet (Mr. Desjardins). It is said—and it is a pet objection—that unrestricted reciprocity is not to be thought of because that would involve the

assimilation of the Canadian and American tariffs. That I deny. Unrestricted reciprocity can be had

WITH OR WITHOUT ASSIMILATION

of tariffs, but I will go further, I will assume that unrestricted reciprocity cannot be had except by assimilating the two tariffs. Is there anything in that to break the heart of a good solid Conservative who has voted every item of the Canadian tariff and cheered over it? Is there anything in that to break the heart of the Finance Minister who has brought our tariff to the height it has now reached? Is the distance which separates the tariff of my hon. friend from the tariff of the Americans so great that it is beyond the capacity of his legs? If my hon. friend believes he cannot cover the distance, I tell him he does not do himself justice. Judging of the nimbleness of his limbs by some of his former acrobatic feats, I can tell him that he can turn still another somersault and sing "God save the Queen" over it. But my hon. friend points to his heart, and says he wishes to keep control of the Canadian tariff in the Canadian Parliament.

An hon. MEMBER. Hear, hear.

MR. LAURIER. And I hear, "hear, hear" from some gentlemen on the other side. What use, I ask, has the Canadian Parliament made of its control of our tariff, under the guidance of a Conservative Government if not to copy, meanly to copy the American tariff? There is a magic in words. We all know that the very term "assimilation of tariffs" sends hon. gentlemen opposite into a frenzy whenever it is pronounced. I tell them, and I challenge contradiction, that their policy for the last fifteen years has been to assimilate the Canadian to the American tariff. That has

BEEN DONE UNDER ANOTHER NAME,

but not the less has it been done. Hon. gentlemen opposite remind me of Monsier Jourdain in Moliere's comedy *Le Bourgeois Gentilhomme*. M. Jourdain, the hero, is a merchant who has made money but whose early education had been somewhat neglected. At the age of forty and over, he sends for a professor of philosophy in order to be instructed. The professor finds that the philosophy of his pupil is not of a very high order, though perhaps practical. Our hero wishes the professor to aid him in inditing an amorous epistle. Very well," says the professor, "shall it be in verse." "No," said the other. "Then it will be in prose." "No," again said our hero. "Well," said the professor, "it must be either in prose or in verse because everything that is said or written is either in prose or verse." "What," said M. Jourdain, "do you mean to tell me that whenever I have said to my handmaid, Nicole, bring me my slippers, and give me my night-cap, this is prose." "Yes," said the professor. "Well, upon my word," said M. Jourdain, "I have been making prose for over forty years and never so much as suspected it. I am much obliged to you for the information." In like manner I want to inform hon. gentlemen opposite that for fifteen years they have been assimilating our tariff to the American tariff, and if they are not as grateful to me for giving them

the information, as M. Jourdain was to his professor, it is because they are not so honest. In 1877 we had two courses open to us; one was to continue the revenue tariff we had then, and the other was to copy the American tariff. If we had kept on as we began, with a revenue tariff, undoubtedly we would

NOT HAVE THE LARGE PUBLIC WORKS

which we can boast of now; but we would be able to boast to-day of a purer name than we now enjoy. Undoubtedly our revenue would not have been so large, but corruption would not be as rampant as it has been proved to be. Undoubtedly we would not have so many millionaires, but we would have a more general and even distribution of wealth. But hon. gentlemen opposite, good, loyal men, were dazzled by the career of the United States. Even at that time there was a settled conviction that the natural market for Canada is the great republic to the south of us. What was it that prompted the Tories of 1849 to adopt the policy of annexation? It was not hostility to England. I will not do them the injury of ascribing such a sentiment to them. It was because they were convinced the American market could not be had otherwise. In 1877 there was, as there has been at all time, and as there is to-day, the conviction in the minds of the people that the natural market for Canada was the American market. Then, what was the policy adopted? It was reciprocity of trade or reciprocity of tariffs. Sir, these were by-words in those days. Reciprocity of trade, with whom? With England? No; reciprocity of trade with the United States. Reciprocity of tariff, with whom? With England? No; reciprocity of tariff with the United States. In the name of common sense, I ask, what was that, if not assimilation of our tariffs with that of the Americans? The motto which was displayed on every public occasion at that time was: Reciprocity of tariff or reciprocity of trade; and the language used was this: We are ready and willing to trade with the Americans. If they will lower their barrier, we will lower ours. If they will not, we will build up a barrier as high as theirs. What was that, Sir, if not assimilating our tariff to the American tariff? I remember

THE CATCH PHRASE IN VOGUE

at that time among hon. gentlemen opposite. They did not want a single-handed-jug policy, they wanted two handles; the Americans had one handle of the jug, and they wanted to hold the other. What was that, again, if not assimilating the American tariff to ours? But for fear it might be supposed by the younger men of this generation that I am not representing things as they are, let me quote the speech of Sir John Macdonald, which was the gospel of that day, delivered at Compton on the 17th of July, 1877:

"Although Messrs. Alexander Mackenzie, George Brown and others of that free trade stripe tell us, 'Do not irritate the United States; do not annoy them; by-and-by they will come to their senses and let us go into their markets.' The people of the United States know better. They say: 'Why should we open our markets to you? You have already opened yours to us.' The way to meet them

is to say: 'What is sauce for the goose is sauce for the gander.' (Cheers and laughter.) The only way is to tell them: "If you can stand it, we can; if you keep us out of your markets, we can keep you out of ours.' (Cheers.) Until we have the pluck and manliness to adopt their policy; until we give up that cringing attitude (for which I am afraid I am somewhat blameable, because I was in power when the reciprocity treaty ended, and I am afraid I went too far to have it renewed) the present state of affairs will continue. Long, long ago, I gave up that attitude, and I said: To get reciprocity, we must give them a touch of equality; we must give them a taste of what we get ourselves."

What was that if not assimilating our tariff to the Americans? Then Sir John Macdonald continued:

"I believe they were quiet willing to return to the old reciprocity treaty of 1864, but no, the farmers on the whole line, from Maine to Wisconsin, rose to their might and told the Congress of the United States, that it was as much as their positions were worth to renew that treaty, and we were told that no matter what the desire of the American Government might be, the farmers of the whole northern belt, from east to west, had resolved there should be no renewal of the reciprocity treaty. I gave it up from that moment. Why, there are 40,000,000 of people. If these 40,000,000 are afraid of the competition that our 4,000,000, in Canada would produce in their markets, what would we say? If our products can affect the markets of 40,000,000, how much more will the products of 40,000,000 affect ours? It is not a matter of doubt, but of certainty—we are to have this country developed, if we are going to make this great country what the United States can make theirs, we must take a leaf out from their book. (Cheers.) I told them in the House and I tell you now, it cannot be called a retaliatory or vindictive policy to adopt their tariff. It is said the truest and most sincere flattery you can bestow on a man is to imitate what he does. We will say to the United States: 'We were freetraders; we took our cue from the rather country. We did not recognize the difference between the circumstances of an old country and a new one like ours, but we see you are wiser than we were. We will pay you the compliment of saying we were wrong and you were right, and we will do to you as you do to us.'"

FOLLOWING YANKEE EXAMPLE.

I ask again what, in the name of common sense, was that if not assimilating our tariff to the American tariff? and to do the hon. gentlemen opposite the full justice to which they are entitled, I must say that they were as good as their word. They won the election on this policy of the assimilation of our tariff to the American tariff. The average of the American tariff at that time being 40 per cent., they raised our tariff to an average of 35 per cent.—not a bad commencement—and from year to year since that day the Finance Minister has been adding bar after bar to the barrier which we have raised against the United States in order to make our tariff as close as possible to the American model. And now these gentlemen who have adopted this policy in the past pretend to be shocked because unrestricted reciprocity, they say, would involve an assimilation of tariffs between the two countries. There is one thing which would be most objectionable. I do not wish to give the control of our trade policy to the Americans. I am in favour of unrestricted reciprocity as much as anyone, but if unrestricted reciprocity is only to be had at the cost of anything derogatory to the honor of Canada, I am against it. But what difference would it be whether the Canadian Parliament raised the tariff to the height of the American tariff from the position in which we find ourselves to-day? It is almost done already, and, if this would involve an assimilation of tariffs, the Parliament of Canada would

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NOT HAVE A VERY HARD WORK

before it, and, judging from the experience of the past, judging from the last stroke of policy of my hon. friend the Minister of Finance, by which, because the McKinley tariff reduced the duty on sugar, he has done the same, I do not think it would be hard for him to bring about an assimilation in tariffs. Let me say this definitely. There is no intention in the breast of any Canadian on this side of the House to surrender to the American Government one iota of our rights. If the Americans will give us reciprocity on the lines which we advocate, that is, that each nation shall preserve its independence commercially as well as politically. I am in favour of it, but if unrestricted reciprocity is to be determined, as suggested by my hon. friend from Westmoreland (Mr. Wood), by a commission on which the Americans would be represented by thirteen and the Canadians by one, I am as much opposed to it as he is. All I have to say to my hon. friend from Westmoreland (Mr. Wood) on this subject is that, when the day comes, which is not far distant, when the Liberal party will send commissioners to Washington to negotiate a treaty, we cannot choose my hon. friend as one of the diplomats. I have every confidence in him as a business man, but as a diplomat, judging from the specimen of his diplomacy which he has given us here, I have no faith in him at all. We will send men who are prepared to

STAND BY THE RIGHTS OF CANADA,

and not only do I not fear that the Americans would try to trample over us, but I believe they would meet us in a manly way as we are prepared to meet them. Another objection is raised, which is the pet objection of the Minister of Finance, and that is the question of revenue. His heart is harrowed as to what would become of poor Canada under unrestricted reciprocity. If hon. gentlemen opposite are prepared to tell us that that is their only objection, that were that objection removed they would have no other one to raise, I would not hesitate to tell them where we would get our revenue. But they are inveterate sinners. If that difficulty is removed, they will fall back on another, and when the other is removed they will discover one more. They will not be convinced. They will for ever remain blind. What would we lose in the way of revenue? We would lose first of all the revenue we now get from our importations from the United States, which amount to a little over \$7,000,000.

MR. FOSTER. \$8,100,000.

MR. LAURIER. Well, say \$8,000,000. Then we would remove from the shoulders of the people of this country \$8,000,000 of taxation. Hon. gentlemen have taken some credit because they have recently removed as they say \$3,500,000 of taxation. Let us say we will remove \$8,000,000 from the shoulders of the people. Would it be a very extraordinary feat in finance to

FILL UP THIS GAP THUS CAUSED

in the treasury? I do not pretend to be a financial man myself, but

from plain common sense and judging from the experience we have had during this session, I ask if it is a very extraordinary and impossible feat to remove taxation with one hand and reimpose it with another hand? My hon. friend could remove three millions and a-half of taxation from sugar and impose them on whiskey and tobacco and beer. It seems to me I could do that myself. But my hon. friend will tell me that this is not all we would lose. He will tell me: You will buy more from the United States than you are now buying; you will buy from the United States goods which you are now buying from other nations which now pay duty and which would not pay duty under those circumstances. How much would that be? My hon. friend cannot tell, and I cannot tell. But the basis of unrestricted reciprocity is this—and if the basis is not true we are all wrong—that it would make Canada as prosperous as a people as the Americans are, and if it will have that effect—and I believe we are situated economically in the same position as the Americans are—then there would be no more difficulty in our levying our necessary revenue from customs and excise than there is for the American people to levy their revenue from customs and excise. The difficulties would not be greater and the same results would apply on one side of the line as now apply on the other side of the line. These objections will not stand when they are ventilated. The only objection, perhaps, which can be urged against us is one which I have heard sometimes from business men. We are told that unrestricted reciprocity would

CREATE A GREAT DISTURBANCE

of trade. Sir, if unrestricted reciprocity were to be adopted to-morrow in twenty-four hours without further notice, I admit that it would create a great disturbance of trade; but we propose, when we negotiate such a treaty, to do it like sensible men, to give ample notice beforehand, to make a treaty that will come into operation at definite periods gradually, by a sliding scale so as not unduly to affect existing interests, and under those circumstances we have no fear whatever of the result. Sir, some few days ago the hon. member for Muskoka (Mr. O'Brien), whom I regret not to see in his seat, told us that this policy of unrestricted reciprocity was the only plank in our platform; he almost regretted this was the only plank in our platform, and he said to us: "If you fail in your endeavours, what will you do?" Sir I do not believe we can fail, because

JUSTICE AND TRUTH MUST PREVAIL

in the end, and this policy is founded on justice and truth, and we shall not fail. But after all, supposing for an instant that the United States were not disposed to meet us like men, suppose they were disposed to be overbearing and to exact sacrifices from us which we could not make what would we do in that case? Sir, we would then turn over a new leaf in our book, and I say this to the hon. member for Muskoka, and to those who believe with him, that I would be prepared then, speaking for myself alone, to look into the very scheme which he has pro-

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posed, the United Empire Trade League. I do not believe in the principles of the United Empire Trade League for the reason that that scheme limits trade to allegiance, it proposes to make allegiance the basis of trade; whereas we desire to make trade interests alone the basis of trade. This latter principle seems to me to be the most sensible one. Now, those are the objections which are urged against us. We are daily denounced, we are daily assailed, but neither assault nor denunciation will make us deviate one iota from the path which we believe to be the path of truth.

CANADA HAS RIGHTS AND CANADA HAS DUTIES.

In the adoption of our policy we forgot neither the rights nor the duties. From England we exact every right that is due to our manhood; to the United States we will concede nothing which might be derogatory to our national dignity. This double consideration is our inspiration, it is for us the pillar of cloud by day and the pillar of fire by night which will guide our course throughout this whole struggle until we have reached the goal.

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